



Washington, D.C. 20505

10 APR 1988
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James C. Murr
Assistant Director for Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Murr:

I write in response to your Legislative Referral Memorandum of 29 March 1988 seeking the views of the Director of Central Intelligence on S. 2205 and S. 2206.

We have no comment on S. 2206 nor on any of the provisions of S. 2205, save those noted below.

Section 601 of S. 2205 mandates the establishment of a "Research and Technology Group" under the National Drug Policy Board (established in 1984 under the provisions of Public Law 98-472, 21 U.S.C. §1201 et seq, and modified by Executive Order 12590, 26 March 1987). The Group would be responsible for reviewing the research, development, technology and evaluation programs of the Department of Defense (DoD) and other federal agencies to assess their applicability to the operations, programs and missions of federal law enforcement agencies.

Under the Group would be established a "Research, Technology and Acquisition Advisory Board". Composed of private sector, academia and governmental representatives, it would make recommendations to the Group on the application of research and development programs to the missions of federal law enforcement agencies and review the ongoing operations of federal agencies. In addition, this Board would serve as an "advocacy group" for the "National Technology Development Centers" to be established by Section 602 of the bill.

The goal of providing more research and development assistance to the anti-drug efforts of federal law enforcement agencies is a laudable one. The Director of Central

Intelligence fully supports this goal and, as a sitting member of the National Drug Policy Board, supports Board policy in this area. The National Drug Policy Board would appear, though, to have sufficient authority to create subordinate administrative entities to assist it in achieving this goal. Thus, we question whether it is necessary to create them by statute. We defer to the Board, however, as to whether Section 601 is objectionable for this reason. We do have a separate concern, though, with the extent of the powers and duties of the subordinate entities to be created by Section 601 which will be discussed below.

Section 602 directs the President to establish within eight specified federal agencies "National Technology Development Centers" to provide research and development support to federal law enforcement activities. Among the agencies listed are the Central Intelligence Agency and the National Security Agency. Revision of the affected agencies' statutory charters to accommodate this result would be mandated. A separate, dedicated budget system for these activities would be established and the Comptroller General (General Accounting Office) would be instructed to monitor the entire process and and report periodically to the Congress.

In effect, Section 602 bypasses the normal, Executive/Legislative budget process to carve out of already scarce Intelligence Community budget resources a separate, non-intelligence activity. To begin with, this would obviously detract from important national intelligence research and development priorities already set by the Congress and the Executive. In addition, the statutory creation of such hybrid activities runs contrary to sound budget and management policy.

More importantly, the establishment of a system of entities within the Intelligence Community dedicated by statute to non-intelligence activities undermines the flexibility which the DCI currently enjoys with respect to deployment of intelligence resources. This is aggravated by subsection (a) of Section 601 which vests in the "Research and Technology Group" (to be created under the Board) the power and duty to review Agency and Community R&D activities and assess their applicability to law enforcement activities. The importance of permitting the DCI to cooperate in the war on drugs while otherwise preserving his flexibility was deemed of sufficient value by Congress that a provision preserving that flexibility was specifically included in the statute which established the National Drug Policy Board. 21 U.S.C. §1303(e). Section 602, especially when coupled with Section 601(a), undermines this flexibility and is thus objectionable.

We also note that under both sections the number of persons with access to very sensitive activities would proliferate, increasing the difficulty of protecting sensitive intelligence sources and methods from unauthorized disclosure.

Finally, we would object to Section 602 in that it grants to the Comptroller General the power and duty to oversee the creation of these Centers. The Agency has set forth on numerous occasions its opposition to making intelligence matters subject to General Accounting Office audit and is, for the same reasons, opposed here.

These concerns would, of course, be removed were all references to the Central Intelligence Agency and the National Security Agency struck from Section 602.

With respect to Section 1005, "Federal Debt Collection", we are concerned that its rather broad thrust and scope could interfere with the Agency's special statutory authorities and with its ability to conduct intelligence activities. Before commenting further, however, we would like to review the comments of other agencies on the provision.

We appreciate the opportunity to comment on this important piece of legislation. We will continue to monitor it and look forward to the opportunity to review the written comments of other agencies and the final Administration position statement on the bill.

Sincerely,



John Helgerson
Director of Congressional Affairs

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